

Forty-ninth Legislature
First Regular Session

COMMITTEE ON WAYS AND MEANS

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2307

(Reference to printed bill)

1 Page 1, between lines 8 and 9, insert:

2 "Sec. 2. Title 20, Arizona Revised Statutes, is amended by adding
3 chapter 22, to read:

4 CHAPTER 22

5 HEALTH REIMBURSEMENT ARRANGEMENTS

6 ARTICLE 1. GENERAL PROVISIONS

7 20-3201. Definitions

8 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "HEALTH REIMBURSEMENT ARRANGEMENT PLAN" MEANS AN EMPLOYER
10 ESTABLISHED BENEFIT PLAN THAT QUALIFIES UNDER SECTION 105 OF THE INTERNAL
11 REVENUE CODE.

12 2. "QUALIFIED MEDICAL EXPENSES" MEANS THOSE MEDICAL EXPENSES THAT
13 QUALIFY UNDER SECTION 105 OF THE INTERNAL REVENUE CODE AND THE REGULATIONS
14 PROMULGATED PURSUANT TO THAT SECTION.

15 20-3202. Health reimbursement arrangements; regulation; exemption

16 A. THE DIRECTOR MAY ALLOW HEALTH REIMBURSEMENT ARRANGEMENT PLANS THAT
17 ENCOURAGE EMPLOYER FINANCIAL SUPPORT OF HEALTH INSURANCE OR QUALIFIED MEDICAL
18 EXPENSES TO BE SOLD IN CONNECTION WITH OR PACKAGED WITH INDIVIDUAL HEALTH
19 INSURANCE COVERAGE SOLD IN THE INDIVIDUAL MARKET.

20 B. HEALTH REIMBURSEMENT ARRANGEMENT PLANS THAT ARE NOT SOLD IN
21 CONNECTION WITH OR PACKAGED WITH INDIVIDUAL HEALTH INSURANCE COVERAGE ARE NOT
22 CONSIDERED INSURANCE AND MAY NOT BE REGULATED UNDER THIS TITLE.

23 C. INDIVIDUAL HEALTH INSURANCE COVERAGE OFFERED OR FUNDED THROUGH
24 HEALTH REIMBURSEMENT ARRANGEMENT PLANS SHALL NOT BE CONSIDERED GROUP HEALTH
25 INSURANCE COVERAGE FOR THE PURPOSES OF THIS TITLE. THIS SECTION SHALL NOT BE
26 INTERPRETED TO REQUIRE AN INSURER TO OFFER INDIVIDUAL HEALTH INSURANCE
27 COVERAGE FOR SALE IN CONNECTION WITH OR PACKAGED WITH A HEALTH REIMBURSEMENT

1 ARRANGEMENT PLAN OR TO ACCEPT PREMIUMS FROM HEALTH REIMBURSEMENT ARRANGEMENT
2 PLANS FOR INDIVIDUAL HEALTH INSURANCE COVERAGE."

3 Rerumber to conform

4 Page 4, line 38, after "**SUBSECTION N**" insert "TO THE EXTENT THAT THE REWARDS OR
5 INCENTIVES ARE INCLUDED IN THE INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME"

6 Page 6, after line 43, insert:

7 "Sec. 5. Effective date

8 Sections 43-1022 and 43-1122, Arizona Revised Statutes, as amended by
9 this act, are effective and apply to taxable years beginning from and after
10 December 31, 2009."

11 Amend title to conform

and, as so amended, it do pass

RICHARD A. MURPHY
Chairman

2307-wm
2/23/09
H:jjb

2307mr
02/19/2009
01:09 PM
C: mjh